

Department of Finance

Department Description

The Department of Finance is responsible for the financial management of the city including the development, monitoring and control of the city's operating budgets. Finance is also responsible for the city's debt management including coordination of the capital improvements budget and the six-year capital improvements plan. The grants management section coordinates and oversees the city's Community Development Block Grant (CDBG) program. The purchasing office procures goods and selected services for all city departments and divisions.

Department Mission

To protect and enhance the fiscal integrity of the city while promoting the Mayor's citywide program initiatives.

Department Goals, Objectives and Performance Measures

Goal: To ensure a fiscally sound city

Performance Objectives	Performance Measures	2001 Actual	2002 Expected
Maintain current bond ratings	Bond rating	AAA & Aaa	AAA & Aaa

Goal: To provide useful, credible, accurate and timely financial information

Performance Objectives	Performance Measures	2001 Actual	2002 Expected
Maintain accuracy of budget projections made at third quarter	Accuracy of budget projections	99.69%	99.5%
Increase percentage of key decision makers satisfied with Finance information	Percent satisfied	94.3% say information is useful	93% are satisfied

Goal: To ensure an efficient and useful budget process

Performance Objectives	Performance Measures	2001 Actual	2002 Expected
Increase satisfaction rating by department directors/fiscal contacts with budget process	Satisfaction rating on a scale of 1-5	2.63 with 1 = very satisfied	2.56 with 1 = very satisfied

Goal: To provide an efficient and effective purchasing process

Performance Objectives	Performance Measures	2001 Actual	2002 Expected
Increase customer satisfaction rating to 4 or higher (on a scale of 1-5 with 5 being the most satisfied)	Overall customer satisfaction rating	N/A	3.7
Maintain at less than two percent administrative cost vs. dollars expended	Ratio of administrative cost to dollars expended	<2%	<2%
Decrease average formal bid turnaround time to 122 days or less	Average number of days for formal bid turnaround	162.5 days	172 days
Decrease average informal bid turnaround time to 25 days or less	Average number of days for informal bid turnaround	33 days	35 days

Goal: To ensure fiscal and programmatic compliance with HUD grant funded programs

Performance Objectives	Performance Measures	2001 Actual	2002 Expected
Maintain low numbers of HUD findings of non-compliance for the CDBG program	Number of findings of non-compliance	0	0

Strategic Priorities for 2003

From the Columbus Covenant:

Peak Performance and Customer Service

The department will implement and monitor departmental change plans generated by the operations review. These include building customer understanding through better financial reporting, establishing purchasing performance agreements with customer departments, and better coordinating the financial function throughout city government.

The department will continue to develop and refine performance measures. The department has integrated performance measures into the budget process. Training for divisions will occur in 2003 with the goal of establishing performance measures for every city program. A citywide performance database will continue to be improved and expanded upon in order to facilitate the capture of performance data for all city programs.

The department will assist in the effort to complete city capital improvement projects on time and on budget by establishing timelines for capital projects and creating a citywide database for capital projects reporting.

Additional Departmental Priorities:

In the purchasing area, a priority is to improve the delivery of public services by reducing turnaround time for purchases.

The department will pursue and implement an effective electronic bid system in conjunction with the Department of Technology.

The grants management section will assist the Department of Development in implementing a new project database and accounting management system, integrating all housing and economic development activities with HUD's mandated IDIS tracking system.

The department will work towards the development of an information technology charge-back rate model for recovering the costs of services delivered by the Department of Technology (DoT), in cooperation with the Department of Technology.

2003 Budget Issues

- The department will manage the timing of the filling of budgeted positions to ensure that the target budget level is met. Duties of those positions that remain vacant positions will be distributed to remaining staff.
- The department established a conservative budget for supplies and materials, and contractual expenses were minimized.
- Various expenditure items are initially budgeted in the Finance Department and, as necessary, transferred to other departments throughout the year. Examples are termination pay for general fund employees leaving city employment, negotiated raises for employees in bargaining units which have not completed negotiations, termination pay for general fund employees and certain legal expenses. By estimating these costs and appropriating them in Finance's city-wide account, the city ensures that it has at least partially accounted for those expenditures and that the funds reserved for those expenses are not diverted to other uses.
- Also budgeted within the Finance Department are all non-elected office general fund data processing and telephone charges. Rather than budget for these internal service charges in each division, they are centrally budgeted in Finance, allowing greater accountability for the funds as well as some flexibility should certain divisions incur costs which may vary from initial estimates. This is the second year of this budgeting practice.

DEPARTMENT FINANCIAL SUMMARY					
DIVISION SUMMARY	2000 Actual	2001 Actual	2002 Appropriated	2002 Estimated	2003 Proposed
Finance	\$ 4,036,019	\$ 3,633,919	\$ 3,888,344	\$ 3,704,452	\$ 3,749,064
Finance City-wide	1,901,027	1,559,901	9,976,393	1,317,582	16,300,000
City-wide Technology Billings	-	-	6,926,012	7,124,762	6,826,604
TOTAL	\$ 5,937,046	\$ 5,193,820	\$ 20,790,749	\$ 12,146,796	\$ 26,875,668

DEPARTMENT SUMMARIES BY CHARACTER					
GENERAL FUND EXPENDITURES SUMMARY	2000 Actual	2001 Actual	2002 Appropriated	2002 Estimated	2003 Proposed
Personnel	\$ 2,100,815	\$ 2,113,503	\$ 2,289,754	\$ 2,246,408	\$ 2,312,090
Materials & Supplies	35,230	13,868	31,400	25,071	17,400
Services	927,147	425,782	7,185,063	7,381,094	6,967,504
Capital	-	-	-	-	-
Transfers	1,901,027	1,559,901	9,976,393	1,317,582	16,300,000
TOTAL	\$ 4,964,219	\$ 4,113,054	\$ 19,482,610	\$ 10,970,155	\$ 25,596,994
CDBG FUND EXPENDITURES SUMMARY	2000 Actual	2001 Actual	2002 Appropriated	2002 Estimated	2003 Proposed
Personnel	\$ 330,292	\$ 355,679	\$ 431,472	\$ 382,209	\$ 430,614
Materials & Supplies	3,095	45	7,400	3,083	5,500
Services	351,806	333,677	434,014	421,325	404,695
Other Disbursements	85,066	92,473	85,000	81,345	105,000
TOTAL	\$ 770,259	\$ 781,874	\$ 957,886	\$ 887,962	\$ 945,809
PRINT SERVICES EXPENDITURES SUMMARY	2000 Actual	2001 Actual	2002 Appropriated	2002 Estimated	2003 Proposed
Personnel	\$ 90,243	\$ 98,197	\$ 105,453	\$ 102,401	\$ 111,815
Materials & Supplies	52,602	54,284	87,000	67,000	76,800
Services	59,647	146,411	157,800	112,858	144,250
Capital	-	-	-	6,420	-
TOTAL	\$ 202,492	\$ 298,892	\$ 350,253	\$ 288,679	\$ 332,865
NOTES:					
1. The 2003 services budget in the general fund includes \$6.8 million in projected expenditures for general fund technology billings.					
2. The 2003 transfer budget includes funds for negotiated pay increases for bargaining units with contracts expiring, termination pay for general fund employees, legal settlement and outside counsel costs, and projected expenses for the EMS reimbursement system.					

DEPARTMENT SUMMARY BY FUND					
FUND SUMMARY	2000 Actual	2001 Actual	2002 Appropriated	2002 Estimated	2003 Proposed
General Fund	\$ 4,964,219	\$ 4,113,054	\$ 19,482,610	\$ 10,970,155	\$ 25,596,994
Print Services Fund	202,492	298,892	350,253	288,679	332,865
CDBG Fund	770,259	781,874	957,886	887,962	945,809
Purchasing Stores	76	-	-	-	-
TOTAL	\$ 5,937,046	\$ 5,193,820	\$ 20,790,749	\$ 12,146,796	\$ 26,875,668
NOTES:					
1. The 2002 services budget in the general fund includes \$6.9 million in projected expenditures for general fund technology billings.					
2. The 2002 transfer budget includes funds for negotiated pay increases for bargaining units with contracts expiring, additional funds to address escalating insurance costs, funds for general fund termination pay, legal settlement funds, etc.					

DEPARTMENT PERSONNEL SUMMARY					
DIVISION	FT/PT*	2000 Actual	2001 Actual	2002 Authorized	2003 Authorized
General Fund	FT	33	30	32	32
Community Dev. Block Grant	FT	6	6	6	6
Print Services	FT	2	2	2	2
TOTAL		41	38	40	40
*FT=Full-Time PT=Part-Time					

PROGRAM SUMMARY- FINANCE							
Program/Activity	Description	FT	2002 Budgeted PT	Appropriated	FT	2003 Budgeted PT	Proposed
Administration	Provides direction to all Finance operations with the ultimate goal of protecting and enhancing the fiscal integrity of the city.	5	-	\$ 557,694	4	-	\$ 457,319
Financial Management	Coordinates annual operating budget process, monitors and reports on financial status of all operating funds, prepares pro-forma operating statements for most funds, provides fiscal and management analyses for labor negotiations, provides fiscal and management analyses for management.	8	-	739,435	9	-	731,819
Debt Management	Coordinates capital improvements budget and capital improvements plan, participates in issuance of bonds and notes, participates in coordinating voted bond packages.	1	-	90,657	1	-	94,762
Purchasing	Maximizes city resources by acquiring optimal goods and services at low cost and selling surplus at the highest prices.	18	-	1,192,419	18	-	1,186,490
Grants Management	Coordinates financial and regulatory aspects of the Community Development Block Grant (CDBG) program. Provides CDBG management functions consisting of prevailing wage analysis, preparation of CD budget, environmental review, performance and financial audits of federally funded programs and cash management services.	6	-	957,886	6	-	945,809
Print Shop/Copy Center	Provides print and copy services as an internal service to city agencies.	2	-	350,253	2	-	332,865
City-Wide Account	Holding account for later transfer to general fund divisions.	-	-	9,976,393	-	-	16,300,000
City-Wide Technology Billings	Account for general fund technology internal billings.	-	-	6,926,012	-	-	6,826,604
TOTAL		40	-	\$ 20,790,749	40	-	\$ 26,875,668

